



PRELIMINARY DRAFT

No. 3097

**PREPARED BY
LEGISLATIVE SERVICES AGENCY
2013 GENERAL ASSEMBLY**

DIGEST

Citations Affected: IC 5-10-1.5; IC 5-10.3-11-4; IC 5-11-20.

Synopsis: Pension plan reporting. Provides that various local retirement plans must report annually to the state board of accounts. Specifies information to be included in a retirement plan report. Requires the state examiner to submit a report annually to the general assembly that summarizes the information received by the state board of accounts concerning various local retirement plans. Repeals the chapter providing that the Indiana public retirement system (INPRS) receive reports from various state and local retirement plans.

Effective: July 1, 2013.



A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-10-1.5 IS REPEALED [EFFECTIVE JULY 1, 2013]. (Retirement Plan Reporting).

SECTION 2. IC 5-10.3-11-4, AS AMENDED BY P.L.146-2008, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 4. (a) Monies from the pension relief fund shall be paid annually by the state board under the procedures specified in this section.

(b) Each year, before a date set by the state board, each unit of local government must certify to the state board:

(1) the amount of payments made during the preceding year for benefits under its pension funds covered by this chapter, referred to in this section as "pension payments";

(2) the data determined necessary by the state board to perform an actuarial valuation of the unit's pension funds covered by this chapter;

(3) the names required to prepare the list specified in subsection (c); and

(4) any other information that is necessary for the state board to make distributions to units under this chapter.

A unit is ineligible to receive a distribution under this section if it does not supply the complete information required by this subsection or a substantial amount of the information required if it is accompanied by an affidavit of the chief executive officer of the unit detailing the steps which have been taken to obtain the information and the reasons the complete information has not been obtained. **The reporting requirement of this subsection supersedes is in addition to the reporting requirement of IC 5-10-1.5 as it applies to pension funds covered by this chapter. IC 5-11-20.**

(c) Each year, before a date set by the state board, the state board shall prepare a list of all police officers and firefighters, active, retired, and deceased if their beneficiaries are eligible for benefits, who are



members of a police or fire pension fund that was established before May 1, 1977. The list may not include police officers, firefighters, or their beneficiaries for whom no future benefits will be paid. The state board shall then compute the present value of the accrued liability to provide the pension and other benefits to each person on the list.

(d) Each year, before a date set by the state board, the state board shall determine the total pension payments made by all units of local government for the preceding year and shall estimate the total pension payments to be made to all units in the calendar year in which the July 1 occurs and in the following calendar year.

SECTION 3. IC 5-11-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]:

Chapter 20. Retirement Plan Reporting

Sec. 1. This chapter applies only to a political subdivision's fiscal year beginning after December 31, 2012.

Sec. 2. As used in this chapter, "political subdivision" has the meaning set forth in IC 36-1-2-13.

Sec. 3. (a) After December 31, 2013, each retirement plan for employees of a political subdivision described in subsection (b) shall, not later than April 1 of each year, make an annual report to the state board of accounts of the information specified in section 4 of this chapter for the political subdivision's immediately preceding fiscal year, in the manner prescribed by the state examiner. However, if a retirement plan described in subsection (b) is sponsored by a political subdivision whose fiscal year does not coincide with a calendar year, the retirement plan is not required to make the retirement plan's initial report under this section until April 1, 2015.

(b) The retirement plans to which this chapter applies are the following:

(1) Each of the retirement funds for utility employees authorized under IC 36-9.

(2) Each county police force pension trust and trust fund authorized under IC 36-8.

(3) Each retirement program adopted by a board of a local health department as authorized under IC 16-1-4-25 (before its repeal) or IC 16-20-1-3.

(4) Each retirement benefit program of a joint city-county health department under IC 16-1-7-16 (before its repeal).

(5) Each pension and retirement plan adopted by the board of trustees or governing body of a county hospital as authorized under IC 16-12.1-3-8 (before its repeal) or IC 16-22-3-11.

(6) Each pension or retirement plan and program for hospital personnel in certain city hospitals as authorized under IC 16-12.2-5 (before its repeal) or IC 16-23-1.



(7) Each retirement program of the health and hospital corporation of a county as authorized under IC 16-12-21-27 (before its repeal) or IC 16-22-8-34.

(8) Each pension plan provided by a city, town, or county housing authority as authorized under IC 36-7.

(9) Each pension and retirement program adopted by a public transportation corporation as authorized under IC 36-9.

(10) Each system of pensions and retirement benefits of a regional transportation authority as authorized or required by IC 36-9.

(11) Each employee pension plan adopted by the board of an airport authority under IC 8-22-3.

(12) Each system of pensions and retirement provided by a unit under IC 36-1-3.

Sec. 4. A report required under section 3 of this chapter concerning a retirement plan must include the following information:

(1) The basic plan parameters, including the following:

(A) The type of plan.

(B) The plan administrator.

(C) The employer sponsoring the plan.

(2) If the plan is a defined benefit plan, the following:

(A) The plan's funding percentage ratio.

(B) The actuarial assumptions for the plan.

(C) The plan's investment returns for the preceding fiscal year.

(3) The total amount of contributions made by the plan sponsor during the preceding fiscal year.

(4) The number of plan participants, including the following:

(A) The number of active participants.

(B) The number of participants who are retired or separated from service.

(5) Any other information concerning the plan required by the state examiner.

Sec. 5. The state examiner shall, not later than July 1 of each year, submit a report to the general assembly in an electronic format under IC 5-14-6 that summarizes the retirement plan information received for the immediately preceding fiscal year under section 3 of this chapter.

